

32.000

- 32.503-4 Approval of progress payment requests.
- 32.503-5 Administration of progress payments.
- 32.503-6 Suspension or reduction of payments.
- 32.503-7 [Reserved]
- 32.503-8 Liquidation rates—ordinary method.
- 32.503-9 Liquidation rates—alternate method.
- 32.503-10 Establishing alternate liquidation rates.
- 32.503-11 Adjustments for price reduction.
- 32.503-12 Maximum unliquidated amount.
- 32.503-13 [Reserved]
- 32.503-14 Protection of Government title.
- 32.503-15 Application of Government title terms.
- 32.503-16 Risk of loss.
- 32.504 Subcontracts under prime contracts providing progress payments.

Subpart 32.6—Contract Debts

- 32.600 Scope of subpart.
- 32.601 General.
- 32.602 Responsibilities.
- 32.603 Debt determination.
- 32.604 Demand for payment.
- 32.605 Final decisions.
- 32.606 Debt collection.
- 32.607 Installment payments and deferment of collection.
- 32.607-1 Installment payments.
- 32.607-2 Deferment of collection.
- 32.608 Interest.
- 32.608-1 Interest charges.
- 32.608-2 Interest credits.
- 32.609 Delays in receipt of notices or demands.
- 32.610 Compromising debts.
- 32.611 Contract clause.

Subpart 32.7—Contract Funding

- 32.700 Scope of subpart.
- 32.701 [Reserved]
- 32.702 Policy.
- 32.703 Contract funding requirements.
- 32.703-1 General.
- 32.703-2 Contracts conditioned upon availability of funds.
- 32.703-3 Contracts crossing fiscal years.
- 32.704 Limitation of cost or funds.
- 32.705 Contract clauses.
- 32.705-1 Clauses for contracting in advance of funds.
- 32.705-2 Clauses for limitation of cost or funds.

Subpart 32.8—Assignment of Claims

- 32.800 Scope of subpart.
- 32.801 Definitions.
- 32.802 Conditions.
- 32.803 Policies.
- 32.804 Extent of assignee's protection.

48 CFR Ch. 1 (10-1-11 Edition)

- 32.805 Procedure.
- 32.806 Contract clauses.

Subpart 32.9—Prompt Payment

- 32.900 Scope of subpart.
- 32.901 Applicability.
- 32.902 Definitions.
- 32.903 Responsibilities.
- 32.904 Determining payment due dates.
- 32.905 Payment documentation and process.
- 32.906 Making payments.
- 32.907 Interest penalties.
- 32.908 Contract clauses.
- 32.909 Contractor inquiries.

Subpart 32.10—Performance-Based Payments

- 32.1000 Scope of subpart.
- 32.1001 Policy.
- 32.1002 Bases for performance-based payments.
- 32.1003 Criteria for use.
- 32.1004 Procedures.
- 32.1005 Solicitation provision and contract clause.
- 32.1006 [Reserved]
- 32.1007 Administration and payment of performance-based payments.
- 32.1008 Suspension or reduction of performance-based payments.
- 32.1009 Title.
- 32.1010 Risk of loss.

Subpart 32.11—Electronic Funds Transfer

- 32.1100 Scope of subpart.
- 32.1101 Statutory requirements.
- 32.1102 Definitions.
- 32.1103 Applicability.
- 32.1104 Protection of EFT information.
- 32.1105 Assignment of claims.
- 32.1106 EFT mechanisms.
- 32.1107 Payment information.
- 32.1108 Payment by Governmentwide commercial purchase card.
- 32.1109 EFT information submitted by offerors.
- 32.1110 Solicitation provision and contract clauses.

AUTHORITY: 40 U.S.C. 121(c); 10 U.S.C. chapter 137; and 42 U.S.C. 2473(c).

SOURCE: 48 FR 42328, Sept. 19, 1983, unless otherwise noted.

32.000 Scope of part.

This part prescribes policies and procedures for contract financing and other payment matters. This part addresses—

(a) Payment methods, including partial payments and progress payments based on percentage or stage of completion;

Federal Acquisition Regulation

32.001

(b) Loan guarantees, advance payments, and progress payments based on costs;

(c) Administration of debts to the Government arising out of contracts;

(d) Contract funding, including the use of contract clauses limiting costs or funds;

(e) Assignment of claims to aid in private financing;

(f) Selected payment clauses;

(g) Financing of purchases of commercial items;

(h) Performance-based payments; and

(i) Electronic funds transfer payments.

[48 FR 42328, Sept. 19, 1983, as amended at 60 FR 49710, Sept. 26, 1995; 61 FR 45772, Aug. 29, 1996; 67 FR 13054, Mar. 20, 2002]

32.001 Definitions.

As used in this part—

Commercial interim payment means any payment that is not a commercial advance payment or a delivery payment. These payments are contract financing payments for prompt payment purposes (*i.e.*, not subject to the interest penalty provisions of the Prompt Payment Act in accordance with subpart 32.9). A commercial interim payment is given to the contractor after some work has been done, whereas a commercial advance payment is given to the contractor when no work has been done.

Contract action means an action resulting in a contract, as defined in subpart 2.1, including actions for additional supplies or services outside the existing contract scope, but not including actions that are within the scope and under the terms of the existing contract, such as contract modifications issued pursuant to the Changes clause, or funding and other administrative changes.

Contract financing payment means an authorized Government disbursement of monies to a contractor prior to acceptance of supplies or services by the Government.

(1) Contract financing payments include—

(i) Advance payments;

(ii) Performance-based payments;

(iii) Commercial advance and interim payments;

(iv) Progress payments based on cost under the clause at 52.232-16, Progress Payments;

(v) Progress payments based on a percentage or stage of completion (see 32.102(e)), except those made under the clause at 52.232-5, Payments Under Fixed-Price Construction Contracts, or the clause at 52.232-10, Payments Under Fixed-Price Architect-Engineer Contracts; and

(vi) Interim payments under a cost reimbursement contract, except for a cost reimbursement contract for services when *Alternate I* of the clause at 52.232-25, Prompt Payment, is used.

(2) Contract financing payments do not include—

(i) Invoice payments;

(ii) Payments for partial deliveries; or

(iii) Lease and rental payments.

Customary contract financing means that financing deemed by an agency to be available for routine use by contracting officers. Most customary contract financing arrangements should be usable by contracting officers without specific reviews or approvals by higher management.

Delivery payment means a payment for accepted supplies or services, including payments for accepted partial deliveries. Commercial financing payments are liquidated by deduction from these payments. Delivery payments are invoice payments for prompt payment purposes.

Designated billing office means the office or person (governmental or non-governmental) designated in the contract where the contractor first submits invoices and contract financing requests. The contract might designate different offices to receive invoices and contract financing requests. The designated billing office might be—

(1) The Government disbursing office;

(2) The contract administration office;

(3) The office accepting the supplies delivered or services performed by the contractor;

(4) The contract audit office; or

(5) A nongovernmental agent.

Designated payment office means the office designated in the contract to